

77 02279

OFFICIAL STATEMENT

CITY OF PACIFIC GROVE

Monterey County, California

1971 Water Quality Control Bonds, Series B

\$1,300,000

(General Obligations)

INSTITUTE OF GOVERNMENTAL
STUDIES LIBRARY

MAY 31 1977

UNIVERSITY OF CALIFORNIA

Bids for the purchase of the Series B Bonds will be received by a representative of the Council of the City of Pacific Grove on Wednesday, June 15, 1977 at 11:00 A.M. at the offices of Stone & Youngberg Municipal Financing Consultants, Inc., Suite 2750, One California Street, San Francisco, California 94111.

**CITY OF PACIFIC GROVE ,
Monterey County, California**

CITY COUNCIL ,

Florus Williams, *Mayor*

Thomas A. Drakes

Gilbert Preston, Jr.

Morris G. Fisher

Madelyn A. Sloan

Dr. James R. Hughes

Martin Larkin

Gary W. Bales, *City Manager*

Theodore Morris, *City Attorney*

William S. Pitt, *Director of Finance, City Clerk and Treasurer*

Invest. Publ. secur.
Publ. debts Munic. Pacific
Grove
Sewage disp. " "

PROFESSIONAL SERVICES

Orrick, Herrington, Rowley & Sutcliffe, *San Francisco*

BOND COUNSEL

Stone & Youngberg Municipal Financing Consultants, Inc., *San Francisco*

FINANCING CONSULTANTS

United California Bank, *San Francisco and Los Angeles, California*

PAYING AGENT

THE DATE OF THIS OFFICIAL STATEMENT IS MAY 18, 1977

77 02279

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May 18, 1977

TO WHOM IT MAY CONCERN:

The purpose of this Official Statement is to supply information to prospective bidders on, and buyers of, \$1,300,000 principal amount of the City of Pacific Grove 1971 Water Quality Control Bonds, Series B, proposed to be issued by the City of Pacific Grove.

The material contained in this Official Statement was prepared by Stone & Youngberg Municipal Financing Consultants, Inc., in the capacity of financing consultants to the City of Pacific Grove (which firm will receive compensation from the City contingent upon the sale and delivery of the Bonds).

This Official Statement is not to be construed as a contract with the purchasers of the Bonds. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of fact.

No dealer, broker, salesman or other person has been authorized by the City to give any information or to make any representations other than those contained herein and, if given or made, such other information or representation must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of any offer to buy nor shall there be any sale of the Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

The members of the City Council of the City of Pacific Grove have reviewed this Official Statement and have determined that as of the date hereof the information contained herein is, to the best of their knowledge and belief, true and correct in all material respects and does not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading. The City of Pacific Grove will deliver to the purchaser of the Bonds a certificate as to the above, dated the date of Bond delivery and further certifying that the signatories know of no material adverse change in the condition of the City which would make it unreasonable for the purchaser of the Bonds to rely upon the Official Statement in connection with the resale of the Bonds. One hundred copies of the Official Statement will be supplied for distribution in connection with the resale of the Bonds.

The opinion of Orrick, Herrington, Rowley & Sutcliffe, San Francisco, California, Bond Counsel to the City, will be furnished to the successful bidder (see the section entitled "Legal Opinion" herein). The scope of Bond Counsel's employment in connection with the review of this Official Statement has been limited to reviewing the statements of law and legal conclusions set forth herein under the sections titled "The Bonds", excepting the material under the heading "Estimated Debt Service."

CITY OF PACIFIC GROVE

FLORUS WILLIAMS

Florus Williams, Mayor

WILLIAM S. PITT

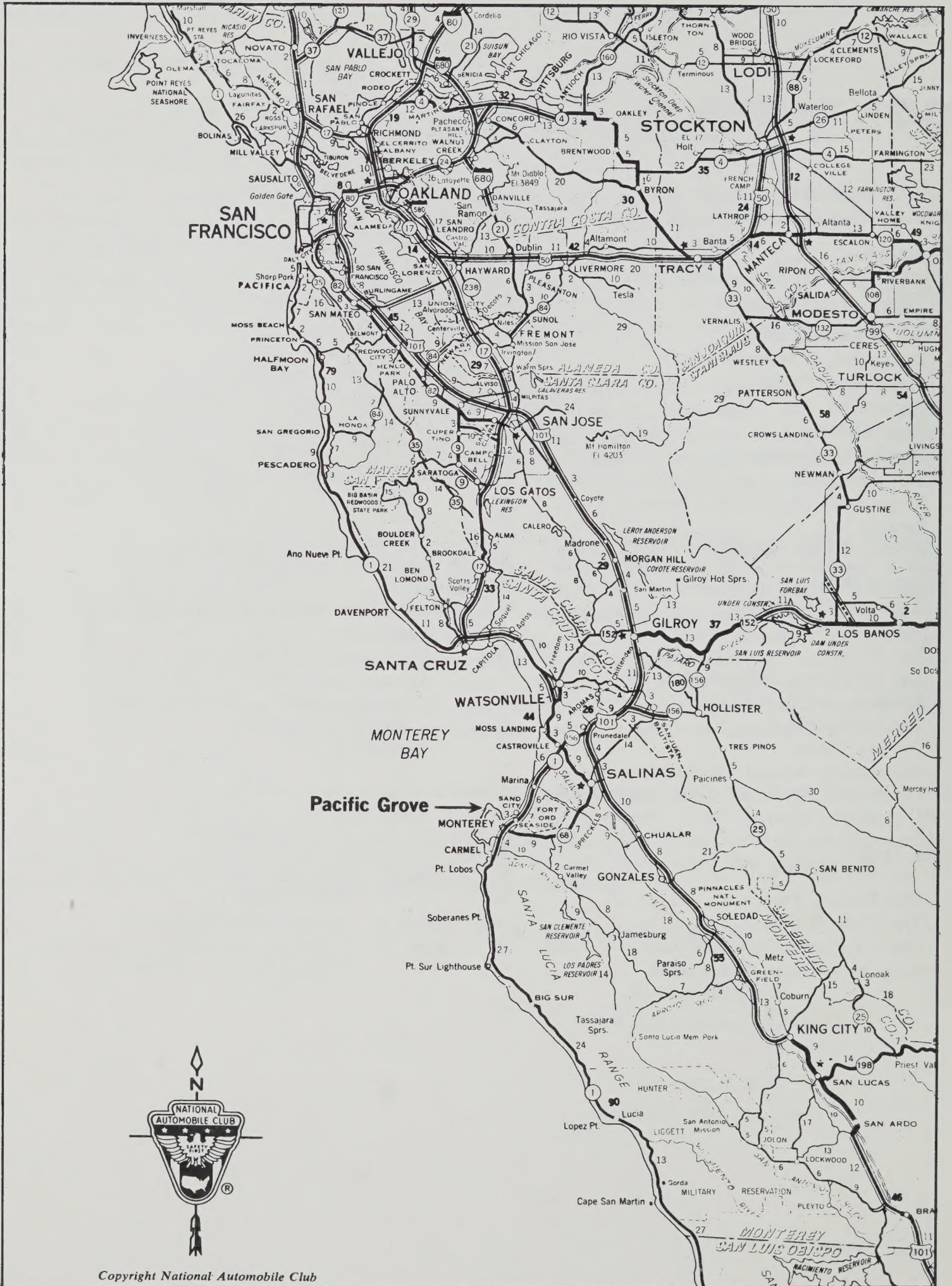
William S. Pitt, City Clerk

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INTRODUCTION

The City of Pacific Grove is located on the Monterey Peninsula of California, approximately 130 miles south of San Francisco and 345 miles north of Los Angeles. The City has an area of approximately 1,600 acres and a coastline approximately four miles in length. Adjacent or nearby communities include the Cities of Monterey, Carmel (Carmel-by-the-Sea) and Seaside. Del Monte Forest, location of such well known attractions as the Seventeen Mile Drive, and Pebble Beach and Cypress Point Golf Courses, is immediately south of the City.

Pacific Grove, which was originally founded as a religious retreat, was incorporated in 1889, and became a charter city in 1927. The City has a council-manager form of government with six councilmen elected at large for four year alternating terms and a mayor, who presides over the council, elected for a two year term.

The City's present population, as estimated by the California State Department of Finance, is 17,995. A rapid growth in population was experienced between 1940 and 1960, with population since that time remaining very stable with the exception of a major annexation in 1972 which brought approximately 4,000 people into the City.

The 1976/77 assessed valuation of the City is \$46,920,850, indicating a market value in excess of \$225,000,000. Principal sources of City revenue in the last fiscal year, in order of importance, included subventions and grants (\$727,048), property taxes (\$702,104) and service charges (\$518,783). City fund balances as of March 31, 1977 totaled \$2,959,728.

The current City tax rate is \$1.63 per \$100 assessed valuation, a slight reduction over the rates applicable in previous years. The current total tax rate applicable to over 84% of the property in the City is \$10.39 per \$100 assessed valuation, which is considered relatively moderate when compared to other communities in California.

Last year's secured tax delinquency was equal to 1.67% of the levy. This is also the average rate of delinquency over the last five years.

The Series B Bonds are the balance of a \$2,300,000 authorization approved by the voters in 1970. Series A Bonds in the principal amount of \$1,000,000, were sold on May 19, 1971. While the Bonds are general obligations of the City, it is anticipated that they will be fully revenue supported from service charges.

Proceeds from the sale of the Bonds will be used together with State and Federal grants and contributions from other Peninsula communities to finance the construction of the first phase of a regional sewage treatment and disposal project, estimated to cost \$9,852,000. The project is being built by the Monterey Regional County Sanitation District which, by July 1, 1977, is scheduled to assume the responsibility of sewage treatment and disposal for the Cities of Pacific Grove and Monterey and the Seaside County Sanitation District which includes the Cities of Seaside, Del Rey Oaks, and Sand City. Local collection facilities will remain the responsibility of the participants.

The Monterey Regional County Sanitation District is governed by a seven member board comprised of the mayors of the five participating cities and two members of the Monterey County Board of Supervisors.

The principal features of the Phase I project include the expansion of the Monterey treatment plant and construction of lines to transport wastewater from Pacific Grove to Monterey. Upon completion of the project, the Pacific Grove plant will be dismantled.

Phase II of the regional project, scheduled for the early to mid-1980's, calls for the construction of a new treatment plant which will serve the Phase I participants as well as the cities of Salinas, Castroville and Marina and Fort Ord. The emphasis of Phase II planning is waste water reclamation.

The Regional Sanitation District will levy a uniform sewer service charge throughout its service area, estimated initially to average \$4.50 per month for residential service. In addition to operating costs, the District will pay the debt service on all outstanding bonds of its participating agencies which were issued for treatment and disposal purposes. The District will levy an additional service charge in the City of Pacific Grove and turn the proceeds over to the City to be used to meet the costs applicable to local collection facilities.

THE BONDS

Authority for Issuance

The \$1,300,000 City of Pacific Grove 1971 Water Quality Control Bonds, Series B described in this Official Statement are the balance of a \$2,300,000 authorization. Issuance of the bonds was authorized by the voters of the City at an election held June 2, 1970.

Sale of Series B Bonds

Bids for the purchase of the Series B Bonds will be received by a representative of the Council of the City of Pacific Grove on Wednesday, June 15, 1977, at 11:00 A.M. at the offices of Stone & Youngberg Municipal Financing Consultants, Inc., Suite 2750, One California Street, San Francisco, California 94111. Details of the terms of sale are included in the Official Notice of Sale, adopted on May 18, 1977.

Description of Series B Bonds

As described in the Official Notice of Sale, the bonds will be dated June 1, 1977. The bonds will be in the denomination of \$5,000 each, will be payable on June 1 of each year beginning June 1, 1980, and will be numbered B1 through B260.

Interest is payable for the first twelve months on June 1, 1978, and thereafter semiannually on December 1 and June 1 of each year. Both principal and interest are payable at the principal office of United California Bank in San Francisco, California, or in Los Angeles, California, the Paying Agent of the City, or at holder's option at the office of the Co-Paying Agents of the City of New York, New York or in Chicago, Illinois.

Redemption Provisions

Bonds maturing on or prior to June 1, 1992 will not be subject to call or redemption prior to maturity. Bonds maturing on or after June 1, 1993 will be subject to call and redemption at the option of the City as a whole or in part in inverse numerical

order on June 1, 1988 or on any interest date thereafter, upon payment of a redemption price equal to the principal amount and accrued interest to the redemption date plus a premium equal to one-quarter of one percent of the principal amount for each year or fraction of a year remaining from the date of redemption to the maturity date of each bond.

Series B Bonds

Schedule of Maturities

Year Ending June 1	Annual Principal Amount
1980	\$ 25,000
1981-82	30,000
1983-85	35,000
1986-87	40,000
1988-89	45,000
1990-91	50,000
1992	55,000
1993	60,000
1994-00	75,000
2001-02	100,000

Registration

The bonds are to be issued as coupon bonds and will be registrable only as to both principal and interest, with the privilege of discharge from registration.

Legal Opinion

All proceedings in connection with the issuance of the bonds are subject to the approval of Orrick, Herrington, Rowley & Sutcliffe, San Francisco, California, bond counsel for the City of Pacific Grove. The unqualified opinion of Orrick, Herrington, Rowley & Sutcliffe, attesting to the validity of the bonds, will be supplied free of charge to the original purchaser of the bonds. A copy of the legal opinion, certified by the official in whose office the original is filed, will be printed on each bond without charge to the successful bidder.

Legality for Investment

In the opinion of bond counsel, the bonds are legal investments in California for all trust funds and for the funds of insurance companies, commercial banks and trust companies.

Tax Exemption

In the opinion of bond counsel, the interest on the Bonds is exempt from all present Federal income taxes and from State of California personal income taxes under existing statutes, regulations, and court decisions.

Purpose and Disposition of Proceeds

The proceeds from the sale of the Series B Bonds will be used to finance a portion of the cost of Phase I construction of a regional sewage treatment and disposal facility as discussed in the "Project" section of the Official Statement.

Security

The bonds are general obligations of the City and the City is obligated to levy ad valorem taxes for

payment of principal and interest on the bonds on all property within the City (except certain personal property, which is taxable at limited rates) without limitation as to rate or amount unless funds are otherwise available.

It is anticipated that debt service on all City sewer bonds will be met from sewer service charges as discussed in detail in the Project section of this official statement.

Estimated Debt Service

Table 1 presents an estimate of the annual bond service for the 1971 Water Quality Control Bonds, Series B based upon an estimated interest rate of 6¼ percent. Also shown is the actual bond service for the outstanding general obligation bonds applicable to the City's sewerage system.

Table 1

CITY OF PACIFIC GROVE

Estimated Debt Service—Sewer Bonds

Year Ending June 1	Estimated Series B Debt Service				Outstanding Issues	Total Bond Service
	Principal Outstanding	Interest at 6¼ %	Principal Maturing	Total		
1978	\$1,300,000	\$ 81,250	\$ —	\$ 81,250	\$ 86,182	\$ 167,432
1979	1,300,000	81,250	—	81,250	75,232	156,482
1980	1,300,000	81,250	25,000	106,250	73,832	180,082
1981	1,275,000	79,687	30,000	109,687	77,432	187,119
1982	1,245,000	77,812	30,000	107,812	75,682	183,485
1983	1,215,000	75,937	35,000	110,937	78,932	189,869
1984	1,180,000	73,750	35,000	108,750	76,832	185,582
1985	1,145,000	71,562	35,000	106,562	80,182	186,744
1986	1,110,000	69,375	40,000	109,375	83,257	192,632
1987	1,070,000	66,875	40,000	106,875	81,017	187,892
1988	1,030,000	64,375	45,000	109,375	83,737	193,112
1989	985,000	61,562	45,000	106,562	81,150	187,712
1990	940,000	58,750	50,000	108,750	83,540	192,290
1991	890,000	55,625	50,000	105,625	85,590	191,215
1992	840,000	52,500	55,000	107,500	82,345	189,845
1993	785,000	49,062	60,000	109,062	84,100	193,162
1994	725,000	45,312	75,000	120,312	85,500	205,812
1995	650,000	40,625	75,000	115,625	81,600	197,225
1996	575,000	35,937	75,000	110,937	82,700	193,637
1997	500,000	31,250	75,000	106,250	83,500	189,750
1998	425,000	26,562	75,000	101,562	84,000	185,562
1999	350,000	21,875	75,000	96,875	—	96,875
2000	275,000	17,187	75,000	92,187	—	92,187
2001	200,000	12,500	100,000	112,500	—	112,500
2002	100,000	6,250	100,000	106,250	—	106,250
		<u>\$1,338,120</u>	<u>\$1,300,000</u>	<u>\$2,638,120</u>	<u>\$1,706,342</u>	<u>\$4,344,462</u>

FINANCIAL DATA

The City of Pacific Grove utilizes the facilities of Monterey County for the assessment and collection of ad valorem taxes. However, public utility property assessed valuations are established by the State Board of Equalization. City taxes are collected at the same time and on the same tax rolls as are county and school district taxes. Taxes on secured property are payable in two installments on November 1 and February 1 and become delinquent on December 10 and April 10, respectively. Taxes on unsecured personal property are assessed on March 1 and become delinquent in the next fiscal year on August 31.

Assessed Valuations

The State Board of Equalization reports that Monterey County assessed valuations for 1976/77 average 20.8 percent of full cash value. Utility property is assessed at 25 percent of full cash value by the state.

In addition to normal exemptions from ad valorem taxes, such as those for public property and welfare institutions, the Constitution and Statutes of the State of California exempt a portion of the assessed valuation of owner-occupied dwellings (\$1,750), if the home owner files for the exemption, and of business inventories (50%). Revenues lost by each taxing agency as a result of these two exemptions are reimbursed from State funds.

CITY OF PACIFIC GROVE

1976/77 Assessed Valuations

Assessment Roll	Net Assessed Valuation	Business Inventory and Homeowners Exemptions	Assessed Valuation for Revenue Purposes
Secured ..	\$40,327,475	\$5,590,955	\$45,918,430
Utility ...	1,301,020	—	1,301,020
Unsecured	1,500,094	369,120	1,869,214
	<u>\$43,128,589</u>	<u>\$5,960,075</u>	<u>\$49,088,664</u>

The growth in assessed valuation of the city, before deduction of State-reimbursed exemptions, is shown below. The increase in 1973/74 was due principally to a December 1972 annexation of 195 acres to the City.

CITY OF PACIFIC GROVE

Growth in Assessed Valuation

Fiscal Year	Assessed Valuation
1969/70	\$24,516,080
1970/71	25,894,740
1971/72	28,896,645
1972/73	29,348,890
1973/74	40,203,460
1974/75	43,386,995
1975/76	46,920,850

Source: County Auditor-Controller.

The assessed valuation of Pacific Grove accounts for approximately 20 percent of the total 1976/77 estimated assessed valuation of the Monterey Regional County Sanitation District. Boundaries of the District encompass the Cities of Monterey and Pacific Grove and the Seaside County Sanitation District which includes the Cities of Seaside, Del Rey Oaks, and Sand City, plus certain county and state lands. It is believed that the incorporated areas listed below account for over 90 percent of total District assessed valuation. The District does not appear on the 1976/77 tax rolls, nor will it appear on the 1977/78 tax rolls.

MONTEREY REGIONAL COUNTY SANITATION DISTRICT

Pro Forma 1976/77 Assessed Valuation^①

City ^②	Assessed Valuation for Revenue Purposes
Monterey ^②	\$136,422,966
Pacific Grove ^②	49,088,664
Seaside ^②	42,934,236
Del Rey Oaks	5,477,924
Sand City	2,798,267
Totals	<u>\$236,722,057</u>

① Incorporated areas only.

② Participants in the Phase I Project, which will be financed in part with proceeds from the Series B Bonds.

Source: County Auditor-Controller.

Major Taxpayers

A review of Monterey County records of 1976/77 assessed valuations produced the following listing of the major taxpayers in the City of Pacific Grove.

CITY OF PACIFIC GROVE

Major Taxpayers 1976/77

Name	Assessed Valuation
Del Monte Properties Co.	\$740,710
Pacific Gas & Electric Co.	628,840
Buena Vista Land Co.	622,690
Henry Edwards Jr.	559,755
Holman's Department Store	521,085
Forest Hill Shopping Center	445,665
California-American Water Co.	309,200
Paul Thysen & Betty O.	267,445
Andriana Borg Life Est.	220,950
John F. Work Life Est.	208,640

Source: Monterey County Office of the Assessor.

Tax Rates

The City's 1976/77 tax rate is \$1.63 per \$100 assessed valuation, a reduction of 9 cents from the \$1.72 levied in the years 1973/74 through 1975/76. From 1969/70 to 1972/73 the city rate was \$1.74 per \$100 assessed valuation.

Tax Code Area 4-000

Tax Rates 1974/75-1976/77

Tax Agency	1974/75	1975/76	1976/77
City of Pacific Grove	\$ 1.720	\$ 1.720	\$ 1.630
Monterey County	2.432	2.345	2.386
Pacific Grove Unified School District	4.883	5.255	5.181
Pacific Grove Unified School District Bonds	.242	.232	.196
Monterey Peninsula Jr. College	.478	.480	.440
Monterey Peninsula Jr. College Bonds	.148	.124	.106
Other Education	.277	.185	.303
Flood Control and Water Conservation	.010	.010	.008
Monterey Peninsula Regional Park	.100	.079	.100
Monterey Peninsula Airport	.065	.065	.040
Total Rate, Net Values	\$10.355	\$10.495	\$10.390

Source: County Auditor-Controller.

Revenues and Expenditures

A five-year record of City revenues and expenditures, as reported by the State Controller, is shown on Table 2, page 7.

There are four tax code areas in the city. Total tax rates for 1976/77 range from \$10.35 to \$11.47 per \$100 assessed valuation. Tax Code Area 4-000 (1976/77 assessed valuation \$41,356,440) contains over 84 percent of the city's total assessed valuation for the current tax year. Presented below are all tax rates in this code area for the past three years.

Tax Levies and Delinquencies

The following tabulation summarizes the total secured taxes levied within the City and the amounts and percentages delinquent as of June 30 for five fiscal years 1971/72 through 1975/76. The average annual rate for this period is a favorable 1.67 percent.

CITY OF PACIFIC GROVE

Secured Tax Levies and Delinquencies

Fiscal Year	Secured Tax Levy	Delinquent as of June 30	
		Amount	Percent
1971/72 ...	\$2,867,918	\$68,417	2.38
1972/73 ...	2,787,404	42,141	1.51
1973/74 ...	3,400,471	43,355	1.27
1974/75 ...	3,743,910	57,460	1.53
1975/76 ...	4,200,856	69,984	1.67

Source: County Auditor-Controller.

The City's 1976/77 approved General Fund budget and 1975/76 actual General Fund expenditures are shown on the following page.

CITY OF PACIFIC GROVE

Annual Budget 1976/77

General Fund

Department or Function	1975/76 Actual Expenditures	1976/77 Approved Budget
Government	\$ 455,071.18	\$ 548,163
City Attorney	—0—	24,350
Planning and Building		
Inspection	42,419.51	46,738
Manager	43,848.22	45,539
Police	444,069.32	482,832
Fire	323,762.86	347,894
Mechanical	41,322.39	42,705
Buildings and Grounds	94,548.86	102,092
Golf	145,875.59	157,610
Pool	7,714.92	10,601
Parking Lots	—0—	1,100
Library	113,584.95	123,881
Museum	52,900.43	54,799
Recreation	110,417.66	122,851
Engineering	1,903.61	2,765
Streets, Cleaning	25,454.59	29,418
Streets, Electrical	61,772.04	72,096
Streets, Maintenance ..	79,974.64	90,940
Room Tax	63,485.39	56,000
Total	\$2,108,126.16	\$2,362,374

Source: City of Pacific Grove.

Fund Balances

City Fund Balances as of March 31, 1977, totaled \$2,643,948.75 summarized as follows:

General Fund	\$ 705,586.04
Gas Tax and Streets	438,206.77
Sewer Construction	785,368.64
Sewer	301,091.76
Cemetery	193,944.27
All Other	535,530.55
Total	\$2,959,728.03

Source: City of Pacific Grove.

Pension Plans

Employees of the City are members of the State Public Employees Retirement System (PERS). Effective January 1, 1977 the City withdrew from the Federal Social Security System, and is currently developing a deferred compensation plan to be admin-

istered by Central Bank of Oakland, California, subject to approval of the Internal Revenue Service. Under the proposed plan, the City would pay 4.309% of gross salary for miscellaneous employees up to the Social Security maximum (currently \$16,500 per year), and 2.163% for public safety employees.

In 1975/76 the City paid \$69,660 to the Federal Social Security System (half-year only) in behalf of City employees, and \$133,925 to the State Public Employees Retirement System. City employees contributed \$103,850 to PERS.

State Public Employees' Retirement System. Approximately one-third of the members are state personnel and the balance are public agency personnel. As of June 30, 1975 the System provided retirement, death and survivor benefits under 901 contracts for about 1,900 public agency employees (cities, counties, school districts, and other public agencies) with 356,517 members.

The System's financial statements are prepared on an accrual basis of accounting and the System's auditor is Coopers and Lybrand, Sacramento, California. Citicorp Investment Management, Inc., San Francisco, provides investment advisory services. The System's actuarial activities are conducted internally on a continuous basis, with an experience analysis being conducted no less than every four years. Benefit Technology, Santa Clara, the independent actuary for the System, may perform such an analysis in 1977.

Total assets of the System at June 30, 1975 were \$7,010,807,246, according to the annual audit. Of this amount, net assets of \$6,966,356,482 were available for benefits. Comparable figures for June 30, 1974 were \$6,233,968,821 and \$6,204,166,779, respectively. The unfunded obligation of the System was determined to be \$5,723,459,587 at June 30, 1975. This represents the present value of future state contributions and other member contributions. The total unfunded obligation does not take into account the provisions of Chapter 187, Statutes of 1975, which prescribed a new increased contribution rate by the state with respect to state miscellaneous members.

The amount of the respective unfunded liabilities will vary from time to time depending upon the actuarial assumptions utilized, rates of return and salary scales. The present System policy is designed to satisfy the unfunded obligation by the year 2000.

Table 2**CITY OF PACIFIC GROVE****Revenues and Expenditures**

	1971/72	1972/73	1973/74	1974/75	1975/76
REVENUES					
Property taxes	\$ 473,870	\$ 471,210	\$ 597,802	\$ 599,885	\$ 702,104
Sales taxes	147,239	174,845	245,560	319,658	394,555
Other taxes	300,714	339,624	436,495	509,046	578,197
Licenses and permits	22,868	22,863	25,023	22,685	31,060
Fines and penalties	34,963	39,231	42,782	51,512	58,715
Rent and interest	100,533	127,136	140,215	243,625	215,950
Subventions and grants	327,527	538,213	712,792	758,305	727,048
Service charges	648,617	684,252	468,050	476,826	518,783
Other revenues	38,372	32,722	99,014	49,987	25,748
Total Revenues	\$2,094,703	\$2,430,096	\$2,767,733	\$3,031,529	\$3,252,160
EXPENDITURES					
General government	\$ 448,260	\$ 523,975	\$ 572,010	\$ 753,261	\$ 820,984
Public safety	442,265	494,472	614,442	731,728	839,164
Public works	379,833	412,783	426,159	358,696	480,480
Health services	—	5,000	6,604	—	—
Libraries	81,523	85,571	90,775	100,153	112,687
Parks and recreation	279,344	300,058	331,106	370,998	400,958
Capital outlays	228,882	232,775	297,006	358,210	452,826
Total Expenditures	\$1,860,107	\$2,054,634	\$2,338,102	\$2,673,046	\$3,107,099

Source: Annual Reports of the State Controller.

Outstanding Bonded Indebtedness

The City's outstanding bonded indebtedness as of June 30, 1977 is presented below.

In addition, Parking District Assessment Bonds of \$240,365 were issued in 1965. The amount outstanding at June 30, 1976 was \$104,849, with debt service payments of \$17,000 budgeted for 1976/77.

Direct and Estimated Overlapping Bonded Debt

The statement of direct and estimated overlapping bonded debt of the City of Pacific Grove is presented in Table 3. As indicated in the debt statement and discussed in the "Project" section, bonds of the City issued to finance sewage system improvements are revenue supported.

Title	Amount Authorized	Amount Issued	Final Maturity	Amount Outstanding June 30, 1977
1971 Water Quality Control Bonds, Series A	\$2,300,000	\$1,000,000	1998	\$ 940,000
1973 Police Facilities Bonds	725,000	675,000	1999	635,000
1975 Open Space Bonds	190,000	190,000	1995	180,000
	\$3,215,000	\$1,865,000		\$1,755,000

Source: City of Pacific Grove.

Table 3

CITY OF PACIFIC GROVE

Statement of Estimated Direct and Overlapping Bonded Debt^①

Estimated Population	17,995	
1976/77 Assessed Valuation	\$ 49,088,664	
Estimated Real Value ^②	\$234,952,368	

Public Entity	Percent Applicable	Estimated Debt Applicable June 15, 1977
Monterey County	3.857%	\$ 121,495
Monterey Peninsula Junior College District	9.054	191,945
Pacific Grove Unified School District	60.661	226,226
City of Pacific Grove	100.	3,055,000 ^③
City of Pacific Grove Parking District (1951 Act)	100.	102,924
Pebble Beach Sanitary District	0.474	12,182
Del Monte Park County Sanitation District	100.	45,000
GROSS DIRECT AND OVERLAPPING BONDED DEBT		\$3,754,772
Less: City sewer bonds (100% self-supporting)		2,240,000
NET DIRECT AND OVERLAPPING BONDED DEBT		\$1,514,772

	Ratio to		
	Assessed Valuation	Real Value	Per Capita
Assessed Valuation	—	—	\$2,727
Gross Direct Debt	6.22%	1.30%	170
Net Direct Debt (\$815,000)	1.66	0.34	45
Gross direct and overlapping debt	7.65	1.60	209
Net direct and overlapping debt	3.09	0.65	84

① Compiled in cooperation with California Municipal Statistics, Inc.

② The State Board of Equalization reports that 1976/77 assessed valuations in Monterey County average 20.8% of full value. Public utility property is assessed by the State Board of Equalization at 25% of full value.

③ Includes \$1,300,000 of 1971 Water Quality Control Bonds, Series B, to be sold on June 15, 1977.

THE PROJECT

The Regional Plan

Proceeds from the sale of the Series B bonds will be used to meet a portion of the cost of Phase I of the regional sewage treatment and disposal project being constructed by the Monterey Regional County Sanitation District.

The District, which was formed in January, 1977, will be undertaking a project developed by the Monterey Peninsula Water Pollution Control Agency which was formed in 1971, and has been responsible for planning. The District is governed by a seven member board comprised of the mayors of the five participating cities (Monterey, Pacific Grove, Seaside, Del Rey Oaks and Sand City) and the two county supervisors whose districts include these communities.

The Phase I Project

Phase I of the regional plan includes the enlargement and upgrading of the City of Monterey treatment plant. New interceptor lines and trunk lines will be constructed and existing facilities modified so that all wastewater originating in Pacific Grove will be transported to the Monterey plant for treatment and disposal. The Pacific Grove Plant will be eliminated. The cities of Seaside, Marina and Sand City will continue to use the treatment facilities of the Seaside County Sanitary District.

The Monterey Regional County Sanitation District is scheduled to assume ownership and operation of the Monterey and the Seaside treatment and disposal facilities on or before July 1, 1977. Local collection facilities will continue to be the responsibility of the individual participants.

The Phase II Project

The Phase II Project is scheduled for the early to mid-1980's and is proposed to be financed through a combination of District revenue bonds and State and Federal Grants. Phase II calls for the construc-

tion of conveyance, treatment and disposal facilities which will serve all of the present project participants as well as Marina, Fort Ord, Salinas and Castroville.

Phase I Project Costs and Source of Funds

Construction bids for the Phase I project have been received and awarded. The cost of the project and source of funds as estimated by the Monterey Regional County Sanitation District is shown below:

ESTIMATED PROJECT COSTS

Construction	\$9,202,000
Engineering	555,000
Administration	95,000
	\$9,852,000

SOURCE OF FUNDS

City of Pacific Grove	
Series B Bonds	\$ 1,300,000
Balance, Series A	797,369
Cash on Hand	47,000
City of Monterey	
Cash on Hand	525,000
Seaside County Sanitation District	
Balance, 1972 Bonds	640,224
Federal and State Grants	6,770,000
Monterey Regional County Sanitation District	
Current Income	440,000
Reserves	150,000
Interest Earnings	185,800
Total	
	\$10,855,393

Note: The balance in the construction fund upon project completion is estimated to be \$1,003,393. It is necessary to provide this surplus of funds in order to meet the cash flow requirement resulting from anticipated delays in receipt of grant funds. It is the intention of the District to use these surplus funds for Phase II planning, and to some extent to meet the debt service on bond funds contributed to finance the project and/or to provide for the early retirement of some portion of such bonds.

Revenue to Meet Debt Service

The City of Pacific Grove Series A and B Water Quality Control Bonds are anticipated to be 100 percent self-supporting from payments to be made by the Monterey Regional County Sanitation District.

The District's financing plan provides for the levy and collection of sewer service charges in an amount sufficient to meet all operating costs as well as to pay debt service on bonds issued or to be issued for sewer purposes by Pacific Grove, Monterey and Seaside C.S.D. A uniform charge will be levied throughout the service area of the District. The initial rate will average approximately \$4.50 for resident service. The District's budget also pro-

vides for the funding of a depreciation reserve of \$150,000 and a contingency allowance of \$80,000.

As earlier mentioned, the operation of local collection facilities will continue to be the responsibility of the individual agencies. In the case of Pacific Grove, the District will collect an additional monthly charge averaging \$0.60 for residential service which will be turned over to the City to meet the costs of maintaining and operating the collection system.

THE CITY

The City of Pacific Grove is located on the tip of the Monterey Peninsula, approximately 130 miles south of San Francisco and 345 miles north of Los Angeles. It is bounded on the north and northeast by Monterey Bay, on the east and southeast by the City of Monterey, on the south by Del Monte Forest and on the west by state, county and federal lands. Pacific Grove was founded as a religious retreat in 1875. The city was incorporated in 1889 and became a charter city in 1927. A new charter was adopted in 1974.

The City occupies an area of about three square miles on the Monterey Peninsula, and has over four miles of coastline encompassing sandy beaches and rocky cliffs. Elevations range from sea level to 300 feet.

Average temperatures range from 45° F. to 66° F. and rarely reach 90° F. or below 30° F. The warmest month is generally September and the coolest is January. Precipitation averages 15.5 inches annually, occurring largely from December to April.

The City has been fortunate to be able to preserve its historic character while at the same time benefiting from the economic growth generated by increased tourist and recreational spending and military payrolls on the Monterey Peninsula. Many of the homes in Pacific Grove which were constructed during the nineteenth century have been restored and are considered to be outstanding examples of the Victorian architectural style.

Municipal Government

The City employs the council-manager form of government. Six council members are elected at large for four-year overlapping terms. The Mayor is elected for a two-year term. The City Manager and the City Attorney are appointed by the City Council. The City Manager appoints the City Clerk and the City Treasurer. Appointive boards and commissions include the City Planning Commission, Library Board, Museum Board, and Recreation Board.



Julian P. Graham Studio

The City has over 100 employees, including 27 uniformed policemen and 17 uniformed positions in the Fire Department.

Employee Relations

City employees are represented by bargaining units, but there is no union representation. Miscellaneous employees (firemen, clerical workers, public works personnel) have the option to be members of the Pacific Grove Employees' Association. Police Department personnel may be members of the Pacific Grove Police Officers Association, which is affiliated with the Police Officers Research Association of California. An unofficial association with no formal title represents the interests of those in management positions.

Population

The City's present population is 17,995, as estimated by the State Department of Finance. The pattern of population growth is characterized by moderate but steady increases. In December 1972 the City annexed 195 acres of developed unincorporated area increasing the population by approximately 4,000 persons. The City's consulting engineer has estimated that, based on the type of development anticipated in the City and its areal extent, the

City's maximum population would be approximately 20,000. The population growth of the City since 1940 is summarized in the U.S. Census data shown below.

CITY OF PACIFIC GROVE

Population—U.S. Census

Census Year	Population	Percent Change
1940	6,249	12.4
1950	9,623	54.0
1960	12,121	26.0
1970	13,505	11.4

Income and Housing

The 1970 median income of all families and unrelated individuals in the City was \$9,615, and the average annual income was \$10,310, according to U.S. Census returns. The distribution of family income for that year is presented below.

Income Class	Number of Families
To \$9,999	1,915
\$10,000—14,999	993
\$15,000 and over	744
Total	3,652

Source: U.S. Bureau of the Census.

CITY OF PACIFIC GROVE

Building Permits and Valuations

Year	Single Family Residential		Multi-Family Residential		Total Residential ^① Value	Commercial and Other Value	Total Permits Value
	Units	Value	Units	Value			
1971	20	\$ 402,000	50	\$ 596,000	\$1,253,000	\$1,117,000	\$2,370,000
1972	33	814,000	144	1,818,000	2,816,000	1,756,000	4,572,000
1973	29	702,000	117	2,506,000	3,208,000	421,000	3,629,000
1974	28	1,021,000	8	186,000	1,535,000	1,783,000	3,318,000
1975	40	1,567,000	46	888,000	2,868,000	945,000	3,813,000
1976	6	288,000	2	52,000	958,000	536,000	1,494,000

① Includes alterations and repairs.

Source: *California Construction Trends*, Security Pacific National Bank.

A special countywide census conducted in the fall of 1976 reported average household income of \$11,270 in Pacific Grove, compared with \$11,855 in the County of Monterey.

The 1970 Census of Housing reported 5,968 housing units in the City, of which 2,711 (45%) were owner-occupied. Median home value of \$23,900 was \$1,000 higher than the countywide figure of \$22,900.

Over two-thirds of all housing units in the City in 1970 consisted of single-family dwellings. Since 1970 approximately 590 new housing units have been built in the City; of this number, over 70 percent were in multi-family buildings. However, single units still outnumber multiples by a substantial margin in the City's housing stock.

Construction Activity

Building permits valued at \$19.2 million have been issued by the City's Building Department since 1970. Nearly two-thirds of this total permit valuation consists of residential construction. Permit valuations are summarized in the following tabulation.

Employment

Over 30 percent of the 5,394 City residents who were employed at the time of the 1970 Census stated that they were engaged in professional, technical, or administrative occupations. An additional 27 percent listed sales or clerical occupations.

Largest employer in the City is the Pacific Grove Unified School District, with 312 employees. Retail and service establishments at Forest Hill Shopping Center and the downtown business core employ a substantial number of workers. Other employed per-



One of several excellent examples of the Victorian architectural style to be found in Pacific Grove.

MacDougall King Photo

sons commute to jobs in Monterey and Salinas. Major employers in these labor markets are discussed more fully in the section of this official statement titled "Monterey Peninsula and Monterey County".

Commercial Activity

Trade and services constitute the largest categories of employment in the City of Pacific Grove. Retail trade accounts for approximately 85 percent of the taxable transactions reported.

Taxable sales in the City have more than doubled since 1971, reaching a level of more than \$27.6 million in 1975. During the same period the number of sales permits grew approximately 55 percent. The accompanying tabulation summarizes the growth in taxable transactions since 1971.

CITY OF PACIFIC GROVE

Taxable Transactions

Year	Outlets July 1	Taxable Transactions
1971	214	\$12,807,000
1972	241	15,586,000
1973	291	21,498,000
1974	310	24,215,000
1975	331	27,666,000
1976 (9 mos.)	389	23,630,000

Source: State Board of Equalization.

For the first three quarters of 1976 (latest data available) taxable transactions in the City were 23 percent greater than the total dollar volume for the same period of 1975.

Financial Services

Five banks maintain branch offices in the City of Pacific Grove: Bank of America N.T. & S.A., Crocker National Bank, United California Bank, Valley National Bank (two branches), and Wells Fargo Bank, N.A. Monterey Savings and Loan, Northern California Savings and Loan, and Watsonville Federal Savings and Loan Association provide additional financial services at branch offices in the City.

Transportation

The Southern Pacific Railroad provides freight service along the California coast, including the Monterey Peninsula. AMTRAK passenger service is available at Salinas. The Monterey Peninsula Transit system provides frequently scheduled passenger service between the cities on the peninsula and to Fort Ord. Greyhound Bus Lines provides regional and interstate passenger and parcel service. The City-owned Mini-Monarch bus system provides bus service within Pacific Grove.

The Monterey Peninsula Airport is located about five miles east of Pacific Grove. Scheduled passenger and air freight services are provided by United Airlines and Hughes Airwest.

Pacific Grove lies about three miles west of State Highway 1, which extends from San Francisco through Santa Cruz and Monterey south to Santa Barbara and Los Angeles. The highway has been constructed to freeway standards through Monterey as part of a program to bring it to freeway standards between Santa Cruz and Carmel. State Highway 68 connects State Highway 1 at Monterey to Salinas, the county seat, where it intersects U.S. 101, the major inland route south of San Jose.

Utilities

Pacific Grove is supplied natural gas and electricity by the Pacific Gas and Electric Company. A major power generating station is located at nearby Moss Landing, north of Monterey.

Water for all purposes is furnished by the California-American Water Company. The Pacific Telephone Company provides phone service.

Education

Public educational services through high school in the City are provided by the Pacific Grove Unified School District, which operates four elementary schools, a junior high school, a senior high school, a continuation high school, and an evening high school for adults. District enrollment as of October 1 for the past six years is presented in the following tabulation. Enrollment data do not include evening classes, which enrolled more than 1,300 adults last year.

PACIFIC GROVE UNIFIED SCHOOL DISTRICT

Fall Term Enrollment

Year	Elementary	Secondary	Total
1971/72	1,808	1,731	3,539
1972/73	1,724	1,690	3,414
1973/74	1,600	1,676	3,276
1974/75	1,529	1,703	3,232
1975/76	1,509	1,623	3,132
1976/77	1,428	1,588	3,016

Source: Pacific Grove Unified School District.

Monterey Peninsula College is located on an 87-acre site two and one-half miles southeast of Pacific Grove. The College is a two-year community institution granting AA certificates and offering adult education classes in the evening. Total enrollment in the fall of 1975 was 8,690, including 3,349 full-time graded students. Hartnell College in Salinas is a two-year institution, with a total enrollment of 7,023 and 2,855 full-time students enrolled. Like Monterey Peninsula College, Hartnell offers both terminal programs and lower division courses for transfer to a degree institution.

Community Facilities

Pacific Grove and other communities in the Monterey Peninsula area are served by the Community Hospital of the Monterey Peninsula and by the Eskaton-Monterey Healthcare Center, with a combined capacity of 261 beds. There is a military general hospital at Fort Ord. The Pacific Grove Convalescent Hospital and several nursing homes in the City provide additional medical services. More than 20 physicians and surgeons and other medical specialists practice in the City.

The Monterey Peninsula Herald is published daily except Sunday. The Pacific Grove Tribune

is a weekly newspaper published in the City. There are six local radio stations and two local television channels in addition to the major metropolitan stations which are available on cable.

The City of Pacific Grove maintains a public library. The cultural life of the community includes a Museum of Natural History and the Pacific Grove Art Center. There are 16 churches of various denominations in the City.

The annual migration of the Monarch butterfly takes place from October to mid-March. During this period thousands of multi-colored butterflies cluster on trees throughout the City, creating an extraordinary spectacle for tourists and vacationers.

The Pacific Grove Youth Center, the Senior Citizens Club, several City parks, picnic facilities, 10 tennis courts, and an 18-hole municipal golf course provide recreational opportunities for City residents.

California Coastal Plan

An initiative measure (Proposition 20) passed by California voters in November 1972 called for review of building applications for new construction along the California coast in order to control development. Under the Coastal Conservation Act, six regional commissions and one state commission were established to oversee development in coastal areas. Pacific Grove is located in the Central Region, Subregion 7 (Monterey Peninsula). In a report submitted to the Legislature on December 1, 1975, the regional commission states "Pacific Grove boasts a large collection of stately Victorian homes and churches, whose preservation helps to retain the characteristic atmosphere of this coastal community." The report sets forth a number of recommendations concerning the Monterey Peninsula. In general, these recommendations are designed to enhance and protect the recreational and scenic advantages of the area.

The California Coastal Conservation Act of 1976 is the primary legislation designed to implement the California Coastal Plan. It provides for the creation of temporary regional commissions similar to those in existence prior to 1976. Their functions are the review and certification of local General Plans for concurrence with the State Coastal Plan and temporary permit review while local agencies are updating their General Plans. The regional commissions will be phased out within four years as all local agencies within their districts complete the work of bringing General Plans to a current status.

MONTEREY PENINSULA AND MONTEREY COUNTY

The Monterey Peninsula forms the southern arm of Monterey Bay. It is approximately 125 miles south of San Francisco and 15 miles southwest of Salinas, the county seat. There are seven incorporated communities on the Peninsula, of which five—Del Rey Oaks, Monterey, Pacific Grove, Sand City and Seaside—are involved in the present water pollution control project. The other incorporated areas are Carmel-by-the-Sea and Marina City. Pebble Beach is an unincorporated community.

Population

The population of the Monterey Peninsula is estimated at 135,000 by the Monterey Peninsula Chamber of Commerce. The areas of the highest concentrated population are within the seven incorporated cities, which account for approximately 84 percent of the total population. As shown at the top of the following page, population growth for the Peninsula has, for the most part, been moderate and steady without the sudden upsurges that have characterized many California communities.

Coastline in Pacific Grove.

Ray Ruppel Photo



MONTEREY PENINSULA

Population Growth, U.S. Census and Estimates

City	1950	1960	1970	1976 ^⑤
Pacific Grove	9,623	12,121	13,505	17,995
Carmel	4,351	4,580	4,525	4,890
Del Rey Oaks	①	1,831	1,823	1,750
Marina	②	②	②	23,050
Monterey	16,205	22,618	26,302	29,600
Sand City	③	③	212	200
Seaside	④	19,353	35,935	36,150
Unincorporated	25,736	48,110	47,816	21,365
Total Monterey Peninsula	55,915	108,613	130,118	135,000

① Incorporated September, 1953.

② Incorporated November, 1975.

③ Incorporated May, 1960.

④ Incorporated October, 1954.

⑤ State Department of Finance estimate (cities only).

Employment and Industry

The economic base of the Monterey Peninsula rests primarily on tourism, convention business, military installations, and retirement functions. Largest employers in the area are the Fort Ord Military Complex (including the Defense Language Institute in Monterey and the Presidio of Monterey) and the Naval Postgraduate School in Monterey. These service facilities employ a combined total of 4,100 civilians. In addition, there is a growing number of light manufacturing, research, and administrative facilities in the area.

The State Department of Employment Development compiles monthly employment statistics for the Salinas-Seaside-Monterey Labor Market, which encompasses all of Monterey County. Between 1972 and 1976 the fastest growing categories of employment in this labor market were state and local government, retail trade, services, and the financial groups.

For the year 1976, the principal sources of non-farm employment in Monterey County were government (28.7%), trade (25.6%), services, and manufacturing. Manufacturing employment is composed primarily of nondurable goods production, reflecting the importance of agriculture and food processing activities in the county.

As of February 1977 (latest monthly data available) total employment in the Salinas-Seaside-Mon-

terey Labor Market was 5,100 greater than the previous February, and the rate of unemployment had dropped from 11.7% to 9.8%.

The City of Pacific Grove is within commuting distance of the Salinas area, where there are 55 industrial plants, the largest being Firestone Tire and Rubber Company with over 1,400 employees. A listing of the principal employers in the Salinas area appears on page 17.

The County of Monterey employs nearly 3,000 persons in the Monterey-Salinas area. A national data processing center of the Social Security Administration was completed early this year in Salinas, bringing an estimated 600 new federal jobs to the area.

There are approximately 25 industrial plants on the Monterey Peninsula in the vicinity of Pacific Grove. Largest of these are Calabrese Construction Co. and Granite Construction Co., both employing over 150 during normal operations. In addition to the large military installations (see following paragraphs), major non-industrial employers on the Peninsula include Del Monte Properties Co. (450 employees), Del Monte Center at Monterey (600-700 employees), Community Hospital of the Monterey Peninsula, Monterey Peninsula College, Monterey Peninsula Transit, and Monterey Peninsula Unified School District.

Salinas-Seaside-Monterey Labor Market
Employment and Unemployment 1971-76
(In Thousands)

	Annual Averages (in thousands)				
	1972	1973	1974	1975	1976
Civilian Labor Force	94.8	94.9	101.4	101.2	110.0
Total Employment	89.1	88.2	94.4	93.0	101.2
Unemployment	5.7	6.7	7.0	8.2	8.8
Nonagricultural Wage and Salary Employment	68.2	71.7	74.8	74.7	75.3
Mining	.6	.6	.6	.6	.6
Contract Construction	3.0	3.2	3.2	2.6	2.7
Manufacturing	7.9	8.9	9.7	9.1	8.6
Transportation, Communications and Utilities	4.2	4.3	4.5	4.4	4.3
Trade	17.9	18.6	19.0	19.0	19.3
Finance, Insurance and Real Estate	2.4	2.6	2.8	2.8	3.3
Services	13.3	14.2	14.8	15.3	14.9
Government	18.9	19.3	20.2	20.9	21.6
Federal	6.5	6.5	6.5	6.6	6.5
State and Local	12.4	12.8	13.7	14.3	15.1

Source: State Department of Employment Development.

Major Employers in the Salinas Area

Name of Employer	Employment	Products
Firestone Tire & Rubber Co.	1,420	Passenger vehicle and truck tires
Amstar Corp., Spreckels Sugar	650	Sugar products and condiments
Spiegl Foods, Inc.	750	Processed foods
Kaiser Aluminum & Chemical	460	Basic refractories, dolomite rock products
Schilling Div. of McCormick & Co., Inc.	552	Spices, extracts, food flavorings
John Inglis Frozen Foods Co.	350	Frozen foods
Cochran Western Corp.	225	Airline ground support equipment
Nestles Co., Inc.	175	Chocolate products
Peter Paul, Inc.	165	Candy bars, confectionery products
Hoerner Waldorf Corp.	168	Corrugated shipping containers
The J. M. Smucker Co.	120	Preserves and jellies
County of Monterey (Salinas area)	2,292	County government
Salinas Union High School District	925	Education
Salinas City School District	643	Education
Salinas Valley Memorial Hospital	590	Health services
Pacific Telephone & Telegraph Co.	586	Public utility
Pacific Gas & Electric Co.	459	Public utility
City of Salinas	618	City government
Emporium	250	Retail sales
Sears, Roebuck & Co.	350	Retail sales
J. C. Penney Co., Inc.	270	Retail sales

Source: Salinas Chamber of Commerce.

Marine and oceanographic research has potential for increased growth on the Peninsula. The Hopkins Marine Station of Stanford University is the oldest facility for graduate education and research in marine sciences on the Pacific Coast. The California Department of Fish and Game and the Naval Postgraduate School also have marine research facilities at Monterey Bay. The current interest in the environment and man's relations to it has resulted in recent expansion of activities at the existing facilities. It is anticipated that marine research will become an important factor in the economy of the Peninsula.

Military Installations

Military and defense establishments add to the economic strength of the Monterey Peninsula. Prominent among these are Fort Ord, the Presidio of Monterey, the Defense Language Institute, and the Naval Postgraduate School.

Fort Ord, home of the Army's Seventh Infantry Division, encompasses 28,500 acres about ten miles northeast of Pacific Grove. Formerly a recruit training facility, it is now the permanent headquarters for the Seventh Division, the change being completed in mid-1976.

Fort Ord provides family housing for over 700 officers and 2,500 non-commissioned officers. Additional housing is being constructed to accommodate new military families transferred to the post. The post provides water, sewerage, and gas and electric utilities for its residents. Dependent children attend schools located on the post and operated by the Monterey Peninsula Unified School District.

In addition to the main post, Fort Ord maintains the Presidio of Monterey, site of the West Coast Branch of the Defense Language Institute, employing about 200 civilians. This school trains students from all services in languages. The Presidio of Monterey, although established much earlier than Fort Ord, is now a very small part of the post. It has family housing for 50 officers and 56 non-commissioned officers.

The Fort Ord Complex (including the Presidio) employs approximately 3,300 civilians, drawing a total 1976/77 payroll of \$52.1 million. The military payroll for the same period is \$180 million. Fort Ord accounts for present-year construction outlays of \$14.5 million and local purchases estimated at \$84.9 million.

The Naval Postgraduate School in Monterey normally enrolls 1,200-1,500 officers from all services

taking advanced courses in engineering, science, and technology. Established in 1951, the school employs an estimated 800 civilians, including a faculty of nearly 300. The combined military and civilian payroll for 1976/77 is \$36,539,734.

Convention Business, Tourism, and Recreation

More than 10 million visitors and convention delegates annually enjoy the spectacular scenery and cultural activities of the Monterey Peninsula. Facilities available in the area offer a wide variety of recreational opportunities to residents and visitors alike. One of the nationally known attractions is the wide selection of golf courses.

The Monterey Peninsula is an increasingly popular convention location. Many of the motels, hotels and restaurants have special rooms for sales meetings, conferences, conventions or social events. There are 158 motels and hotels on the Peninsula with over 5,500 rooms. Since 1972 over 10,000 convention delegates have been attracted to the Monterey Peninsula annually.

The recently opened Monterey Conference Center is the major convention center in the area. Located near Fisherman's Wharf in downtown Monterey, the Center is built on three levels and has three exhibition halls, three ballrooms, nine meeting rooms, a VIP Room, and a Forum. Groups of 3,000 can be accommodated for meetings, and 2,800 for banquets.

Adjoining the Monterey Conference Center is the \$17 million Doubletree Inn, now under construction and scheduled for completion in early 1978. The 375-room hotel complex occupies 4.2 acres. Twelve buildings are planned. There will be parking space for 400 cars, a shopping promenade, dining room, and several meeting rooms.

A well-known facility for conferences and meetings is the 60-acre Asilomar Conference Grounds located in Asilomar State Beach in the City of Pacific Grove. Asilomar has twelve hotel lodges with 284 rooms. Conference buildings include an auditorium with seating for 975, a social hall, several conference rooms, a chapel-auditorium with capacity for 500, and dining service for 830.

Among the better known public golf courses on the Monterey Peninsula are the Pacific Grove Municipal Links, Del Monte Golf Course, Rancho Canada Golf Club, and the Spyglass Hill Golf Course. In addition, the military operates three golf courses at



The famous sixteenth hole of the Pebble Beach Golf Course.

Julian P. Graham Studio

Fort Ord and the Naval Postgraduate School. Private courses close to the City include the Monterey Peninsula Country Club, Cypress Point Golf Club, Pebble Beach Golf Course and the Carmel Valley Golf and Country Club.

Pebble Beach is located on the most southern and western point of the Monterey Peninsula, overlooking Carmel Bay and the Pacific Ocean. Special features of the area include a species of cypress trees, which grow nowhere else in the world, the Seventeen Mile Drive and Seal and Bird Rocks. Five championship golf courses are located here, including the site of the annual Bing Crosby Pro-Am Tournament.

Tennis is very popular on the Monterey Peninsula. There are 23 tennis locations which include over 120 courts. Fishing, skin diving, surfing, boating and horseback riding are popular visitor activities.

Cultural events which attract considerable attendance from local residents and tourists are the annual Monterey Jazz Festival and the Carmel Bach Festival. Art exhibits, concerts, museums and theatres are attended by thousands of visitors annually, as are the beaches, scenic drives and nearby state parks. Cannery Row, which John Steinbeck made famous,

has been converted into an artist colony with art galleries, antique shops, a theatre and restaurants. Monterey's famed Fisherman's Wharf offers outdoor seafood stands and restaurants. Carmel has interesting shops and galleries. Automobile races at Laguna Seca attract thousands each year.

Major Parks in the Monterey Area

Name	Acres
Los Padres National Forest	325,000
Asilomar State Beach	95
Point Lobos State Reserve	1,255
Pfeiffer-Big Sur State Park	815
Julia Pfeiffer Burns State Park	1,800
Pinnacles National Monument	14,173
Andrew Molera State Park	2,057
Piazzoni Park	1,347
Toro Regional Park	4,756
Royal Oaks Regional Park	125
Jacks Peak Regional Park	525

Source: Monterey Peninsula Chamber of Commerce.

Agriculture

While agriculture is not a major factor of the City's economy, it plays a major role in the surrounding area and Monterey County as a whole. The value of agricultural production in the County since 1972 is shown in the following tabulation.

MONTEREY COUNTY

Gross Value of Agricultural Production

Year	Gross Value
1972	\$277,211,870
1973	358,834,800
1974	387,036,700
1975	407,964,650
1976	453,545,421

Source: Monterey County Department of Agriculture.

Lettuce has been the most valuable crop in the County for some years. In 1976 this crop accounted for over one-third of the total production value of farm output. The leading crops for 1976 are listed in the accompanying tabulation. There are 32 crops with a gross value of \$1 million or more.

According to the County Agricultural Commissioner, row crops in the Salinas Valley will not be affected by the prevailing drought. There is sufficient water in the area's two major water storage facilities—Lake Nasimiento and San Antonio Reservoir—to replenish water tables in response to expected water usage.

However, livestock and grain producers in the County have been adversely affected by the drought,

to the point where livestock producers are now eligible for State disaster loans. In the aggregate, agricultural commodities in this sensitive classification (cattle, pasture, hay, barley) accounted for approximately \$32 million in gross production value last year, or less than 10 percent of the County's 1976 total agricultural output.

MONTEREY COUNTY

Most Important Agricultural Products 1976

Crop	Gross Value
Lettuce	\$155,712,000
Nursery	34,778,600
Strawberries	29,445,000
Broccoli	29,380,000
Celery	26,509,000
Cattle	23,019,000
Cauliflower	17,777,000
Artichokes	16,376,000
Sugar beets	13,210,000
Tomatoes	12,435,000
Carrots	9,026,000
Grapes	8,839,000
Milk, marketed	6,187,000
Onions—green	5,846,000
Peppers—chili	5,664,000
Asparagus	5,389,000
Beans—dry	5,309,000
Potatoes	4,951,000
Garlic	4,805,000
Mushrooms	4,285,000

Source: Monterey County Department of Agriculture.

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